

### REMARKS

Applicant would initially like to thank the Examiner for extending the courtesy of a telephone interview to Applicant's undersigned representative, Samuel K. Simpson, on October 26, 2009. During the telephone interview, claims 1 and 40 were discussed. Applicant's undersigned representative indicated that the "Lottery firms seek cover for jackpots" by Freny Patel ("Patel") does not provide a teaching for the type of risk for which a guarantee is being provided in claims 1 and 40. Applicant's undersigned representative indicated that more explanation would be provided in the formal response.

Claims 1, 3-25, 35-71, 74, and 75 are pending. Applicant has amended claims 1, 5, 10-12, 14, 17, 21-24, 35, 36, 40-43, 45, 47, 48, 52, 53, 59-62, 64, 70, 71, 74, and 75. Applicant has cancelled claims 3, 4, 6, 7, 15, 16, 19, 46, 54, 55, 57, and 65-69, without prejudice or disclaimer, from further consideration in this patent application. Applicant is not conceding that the subject matter encompassed by claims 3, 4, 6, 7, 15, 16, 19, 46, 54, 55, 57, and 65-69 prior to this Amendment is not patentable over the art cited by the Examiner. Further, claims 3, 4, 6, 7, 15, 16, 19, 46, 54, 55, 57, and 65-69 are cancelled in this Amendment solely to facilitate expeditious prosecution of the remaining claims. Applicant respectfully reserves the right to pursue claims, including the subject matter encompassed by claims 3, 4, 6, 7, 15, 16, 19, 46, 54, 55, 57, and 65-69, as presented prior to this Amendment, and additional claims in one or more continuing patent applications. Claims 76 and 77 have been newly added.

All of the amendments are made solely for clarification purposes and not for any reason regarding patentability. No new matter has been entered with this Amendment.

### *Claim Objections*

The Office Action has objected to claims 10-12, 22-24, 45, 53, and 60-62 as having the terminology "can be." Applicant has amended claims 10-12, 22-24, 45, 53, and 60-62 to utilize the term "is" rather than "can be." Accordingly, Applicant submits that the claim objections of claims 10-12, 22-24, 45, 53, and 60-62 should be withdrawn.

***Claim Rejections - 35 U.S.C. § 101***

The Office Action has rejected claims 1, 53, 64, and 74 under 35 U.S.C. § 101 as being directed towards non-statutory subject matter.

Applicant has amended claim 1 to recite that the providing is “with a prize guarantee system” and the receiving is “with a receiving system”. Accordingly, Applicant submits that amended claim 1 is directed towards statutory subject matter. Therefore, Applicant submits that the rejection of claim 1 should be withdrawn.

Further, Applicant has amended claim 53 to recite that the providing is “with a prize guarantee system” and the receiving is “with a receiving system”. Accordingly, Applicant submits that amended claim 53 is directed towards statutory subject matter. Therefore, Applicant submits that the rejection of claim 53 should be withdrawn.

In addition, Applicant has amended claim 64 to recite that the providing is “with a prize guarantee system” and the receiving is “with a receiving system”. Accordingly, Applicant submits that amended claim 64 is directed towards statutory subject matter. Therefore, Applicant submits that the rejection of claim 64 should be withdrawn.

Applicant has also amended claim 74 to recite that the providing is “with a prize guarantee system” and the receiving is “with a receiving system”. Accordingly, Applicant submits that amended claim 74 is directed towards statutory subject matter. Therefore, Applicant submits that the rejection of claim 74 should be withdrawn.

***Claim Rejections - 35 U.S.C. § 112***

The Office Action has rejected claims 5, 17, 56, and 70 as being indefinite under 35 U.S.C. § 112.

Applicant has amended claim 5 to recite that a secondary prize is provided in addition to the predetermined fixed jackpot prize. Accordingly, Applicant respectfully submits that the language of claim 5 is clear. Therefore, Applicant respectfully submits that the rejection of claim 5 should be withdrawn.

Further, Applicant has amended claim 17 to recite that a secondary prize is provided in addition to the predetermined fixed jackpot prize. Accordingly, Applicant respectfully submits that the language of claim 17 is clear. Therefore, Applicant respectfully submits that the rejection of claim 17 should be withdrawn.

In addition, Applicant has amended claim 56 to recite that a secondary prize is provided in addition to the predetermined fixed jackpot prize. Accordingly, Applicant respectfully submits that the language of claim 56 is clear. Therefore, Applicant respectfully submits that the rejection of claim 56 should be withdrawn.

Applicant has also amended claim 70 to recite that a secondary prize is provided in addition to the predetermined fixed jackpot prize. Accordingly, Applicant respectfully submits that the language of claim 70 is clear. Therefore, Applicant respectfully submits that the rejection of claim 70 should be withdrawn.

***Claim Rejections - 35 U.S.C. § 102(a)***

The Office Action has rejected claims 1 and 3-25 under 35 U.S.C. § 102(a) under Patel.

**Claim 1**

Amended independent claim 1 recites a method of assuming risk for a lottery operator that, among other things, provides "... with a prize guarantee system separate from the lottery operator, a guarantee of payment of a predetermined fixed jackpot prize in a lottery game, wherein the predetermined fixed jackpot prize is funded according to a first percentage of lottery ticket sales for the lottery game, wherein the predetermined fixed jackpot prize is indicated prior to lottery ticket sales for the lottery game such that the predetermined fixed jackpot prize is not completely funded prior to initiation of the lottery game, wherein the guarantee of payment guarantees the difference between the predetermined fixed jackpot prize and the first percentage of lottery ticket sales for the lottery game if the first percentage of the lottery ticket sales for the lottery game is less than the predetermined fixed jackpot prize, wherein the guarantee is in exchange for a stipulation of a second percentage of lottery ticket sales in the lottery game, wherein the second percentage is distinct from the first percentage, wherein the providing the guarantee occurs prior to the ticket sales for the lottery game."

Predetermined Fixed Jackpot Prize

Amended claim 1 makes clear that the predetermined fixed jackpot prize is funded by ticket sales, but is not completely funded prior to initiation of the lottery game. For instance, a lottery operator may advertise a large prize that is not completely funded prior to initiation of the lottery game.

Patel does not teach a predetermined fixed jackpot prize. The jackpot prize in Patel is based on the number of tickets sold. See Patel, page 1 (“[i]f someone hits the jackpot – out of the tickets sold – the insurance company pays the prize money.”). In other words, the jackpot prize in Patel is always funded because it is directly based on ticket sales. In contrast, the predetermined fixed jackpot prize of claim 1 may not be completely funded. Further, the jackpot prize in Patel is not fixed as it depends on ticket sales, which vary the prize amount. In contrast, the predetermined fixed jackpot prize of claim 1 is fixed. As the jackpot prize in Patel is always funded and is not fixed, Applicant submits that Patel does not teach a predetermined fixed jackpot prize.

Guarantee

According to amended claim 1, if a first percentage of the ticket sales are not enough to fund the predetermined fixed jackpot prize, the guarantee provides the difference. In other words, the lottery operator pays for the portion of the predetermined fixed jackpot prize that corresponds to the first percentage of the ticket sales and an entity other than the lottery operator that provides the guarantee will provide the difference if necessary. The guarantee is for the risk of the first percentage of the ticket sales being less than the predetermined fixed jackpot prize. In such an instance, the lottery operator and the guarantor each provides respective portions of the predetermined fixed jackpot prize.

Patel does not provide a guarantee for such a risk. Patel states “[a]s is the wont [sic] globally, players in this Rs 20,0000 crore-(Rs 200billion)-and-growing [sic] local industry want to take insurance covers against jackpot prizes, thereby ensuring that it’s not they who cough up the winnings.” See Patel, page 1. Patel goes on to state “[s]ome of them are scouting for risk cover whereby the winnings will be paid by the insurer and not by them.” In other words, Patel is directed to an insurance entity paying the entire jackpot prize if a winner wins the jackpot

prize in place of the lottery operator. The risk in Patel is a winner. Patel does not teach a risk of a difference between a first percentage of the lottery ticket sales for the lottery game being less than the predetermined fixed jackpot prize because such a risk cannot exist in Patel as discussed above since the prize in Patel is always funded.

To further illustrate the contrast in risk, Patel teaches an insurance company paying the jackpot prize anytime there is a winner whereas as claim 1 is directed towards a guarantee providing a difference only when there is a winner and there is a difference between a first percentage of the lottery ticket sales for the lottery game being less than the predetermined fixed jackpot prize. If the first percentage of the lottery ticket sales for the lottery game is greater than or equal to the predetermined fixed jackpot prize, the lottery operator of claim 1 pays the full predetermined fixed jackpot prize. Patel does not teach the lottery operator paying the prize when there is a winner because the insurance entity in Patel is supposed to pay the prize when the risk of a winner materializes. Further, Patel does not teach the lottery operator and an entity providing a guarantee sharing responsibility for the prize payment. Accordingly, Applicants submits that Patel does not teach the same type of guarantee as provided for in claim 1.

Therefore, Applicants submits that the rejection of independent claim 1 should be withdrawn.

#### Claims 3-13

Claims 5, 8-12, and 13 depend from amended claim 1. Accordingly, Applicant submits that claims 5, 8-12, and 13 are allowable for the same reasons as discussed with respect to amended independent claim 1. Therefore, Applicant submits that the rejection of claims 5, 8-12, and 13 should be withdrawn.

Claims 3, 4, 6, and 7 have been cancelled. Therefore, Applicant submits that the rejection of claims 3, 4, 6, and 7 should be withdrawn.

#### Claim 14

Amended independent claim 14 is allowable for the same reasons as discussed with respect to amended independent claim 1. Therefore, Applicant submits that the rejection of independent claim 14 should be withdrawn.

Claims 15-25

Claims 17, 18, and 20-25 depend from amended claim 1. Accordingly, Applicant submits that claims 17, 18, and 20-25 are allowable for the same reasons as discussed with respect to amended independent claim 14. Therefore, Applicant submits that the rejection of claims 17, 18, and 20-25 be withdrawn.

Claims 15, 16, and 19 have been cancelled. Therefore, Applicant submits that the rejection of claims 15, 16, and 19 should be withdrawn.

***Claim Rejections - 35 U.S.C. § 103(a)***

The Office Action has rejected claims 35-71 and 74-74 under 35 U.S.C. § 103(a) over Patel in view of U.S. Patent Application Publication No. 2004/0185931 to Lowell et al. (“Lowell”) and U.S. Patent No. 5,855,514 to Kamille (“Kamille”).

Claim 35

Amended independent claim 35 is allowable for the same reasons as discussed with respect to amended independent claim 1. Therefore, Applicant submits that the rejection of independent claim 35 should be withdrawn.

Claims 36-44

Claims 36-44 depend from amended claim 35. Accordingly, Applicant submits that claims 36-44 are allowable for the same reasons as discussed with respect to amended independent claim 35. Therefore, Applicant submits that the rejection of claims 36-44 be withdrawn.

Claim 45

Amended independent claim 45 recites that a guarantee of payment is transmitted by a guarantee transmission module through a network to a gaming machine that operates a game of chance. The combination of Patel, Lowell, and Kamille does not teach that a guarantee is provided through a network to a gaming machine. Therefore, Applicant submits that the rejection of independent claim 45 should be withdrawn.

Claims 46-52

Claim 46 been cancelled. Therefore, Applicant submits that the rejection of claim 46 should be withdrawn.

Claims 47-52 depend from amended claim 35. Accordingly, Applicant submits that claims 47-52 are allowable for the same reasons as discussed with respect to amended independent claim 35. Therefore, Applicant submits that the rejection of claims 47-52 be withdrawn.

Claim 53

Amended independent claim 53 is allowable for the same reasons as discussed with respect to amended independent claim 1. Therefore, Applicant submits that the rejection of independent claim 53 should be withdrawn.

Claims 54-63

Claims 54, 55, and 57 have been cancelled. Therefore, Applicant submits that the rejection of claims 54, 55, and 57 should be withdrawn.

Claims 56, 58, 59, and 60-63 depend from amended claim 53. Accordingly, Applicant submits that claims 56, 58, 59, and 60-63 are allowable for the same reasons as discussed with respect to amended independent claim 53. Therefore, Applicant respectfully submits that the rejection of claims 56, 58, 59, and 60-63 should be withdrawn.

Claim 64

Amended independent claim 64 is allowable for the same reasons as discussed with respect to amended independent claim 1. Therefore, Applicant submits that the rejection of independent claim 64 should be withdrawn.

Claims 65-70

Claims 65-69 have been cancelled. Therefore, Applicant submits that the rejection of claims 65-69 should be withdrawn.

Claim 70 depends from amended claim 64. Accordingly, Applicant submits that claim 70 is allowable for the same reasons as discussed with respect to amended independent claim 64. Therefore, Applicant respectfully submits that the rejection of claim 70 should be withdrawn.

Claim 71

Amended independent claim 71 is allowable for the same reasons as discussed with respect to amended independent claim 1. Therefore, Applicant submits that the rejection of independent claim 71 should be withdrawn.

Claim 74

Amended independent claim 71 is allowable for the same reasons as discussed with respect to amended independent claim 45. Therefore, Applicant submits that the rejection of independent claim 71 should be withdrawn.

Claim 75

Amended independent claim 75 is allowable for the same reasons as discussed with respect to amended independent claim 45. Therefore, Applicant submits that the rejection of independent claim 75 should be withdrawn.

***New Claims***

New claims 76 and 77 have been added. Claim 76 is allowable as Patel does not teach a predetermined jackpot prize, a predetermined jackpot prize not being initially completely funded, a guarantee for the difference if the first percentage of the lottery ticket sales for the lottery game is less than the predetermined jackpot prize, or a predetermined jackpot prize being progressive. Claim 77 is allowable for the same reasons as discussed with respect to claim 76.

***Conclusion***

Applicant has overcome the Examiner's claim objections, 35 U.S.C. §101, 35 U.S.C. §112, 35 U.S.C. §102(b) and 35 U.S.C. §103(a) rejections. Thus, the Examiner is respectfully requested to withdraw these objections and rejections.

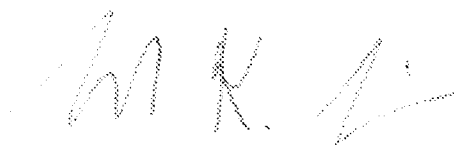


Applicant has complied with all requirements made in the above-referenced communication. In view of the foregoing, it is respectfully submitted that claims 1, 5, 8-14, 17, 18, 20-25, 35-45, 47-53, 56, 58-64, 70, 71, and 74-77 in the patent application are in condition for allowance. Allowance of these claims at an early date is courteously requested.

If, for any reason, the Examiner finds the application other than in condition for allowance, the Examiner is respectfully requested to call Applicant's undersigned representative, Samuel K. Simpson at **(310) 496-4255** to discuss the steps necessary for placing the application in a condition for allowance.

Respectfully submitted,

PATENT INGENUITY, P.C.



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